UNITED STATES BANKRUPTCY COURT DISTRICT OF PUERTO RICIO

N RE:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO

As Representative of

THE COMMONWEALTH OF PUERTO RICO, THE PUERTO RICO PUBLIC BUILDING AUTHORITY, AND OTHERS

PROMESA TITLE III

NO. 17-BK-03283-LTS

NO. 19-BK-05523-LTS

(Jointly Administered)

This filing relates to the Commonwealth and Puerto Rico Public Buildings Authority (PBA)

CLAIMANT'S OPPOSITION TO DEBTOR'S THREE HUNDRED THIRTY-FOURTH (334TH) OMNIBUS OBJECTION TO CLAIM NO. 174301 (DE 17,085)

COMES NOW SKY HIGH ELEVATORS CORP., the Claimant in Claim No. 174301 in Case No. 19-BK-05523-LTS, represented by the undersigned counsel and before this Honorable Court respectfully opposes any disallowance regarding Claim No. 174301, to wit:

- 1) On June 18, 2021, debtor in this case filed its *Three Hundred Thirty-Fourth Omnibus Objection* (334th Omnibus Objection) in which it objected and requested disallowance, as deficient, **Claim No. 174301** made by *Sky High Elevators Corp.* (hereafter, Claimant) for \$650,000.00. DE 17,085, Exhibit A, number 67.
- 2) Claim No. 174301 (\$650,000.00) is related to Claim No. 173732 (\$1,247,393.46). Both are by *Sky High Elevators Corp.* for services rendered and billed to debtor by Claimant. The latter (No. 173732) is for elevator related parts and services which Claimant rendered to debtor and for which specifically appropriated public funds

were designated for payment. However, instead of honoring the agreement to pay Claimant, debtor intentionally diverted the said appropriated funds, fraudulently misapplied and used the money for other purposes. The fraudulent diversion of those appropriated funds by debtor caused Claimant severe economic damages and mental and moral anguish, all of which are recoverable under Puerto Rico law independent of the actual debt itself. The Puerto Rico Civil Code provides, in pertinent part:

Those who in fulfilling their obligations are guilty of fraud and those who in any manner whatsoever act in contravention of the stipulations of the same, shall be subject to indemnify for the losses and damages caused thereby.

P.R. Laws tit. 31, § 3018.

- Objection 334, is for the damages caused Claimant by debtor's fraudulent misapplication of funds appropriated for services provided by Claimant but which debtor used for some other purpose. Thus, <u>Claim No. 173732</u> (\$1,247,393.46) arises out of the same facts. On July 10, 2021, Claimant opposed debtor's objection and disallowance of <u>Claim No. 173732</u> made in Omnibus Objection 340 [DE 17087]. See DE 17295 and DE17459.
- 4) The instant Opposition to the 344th Omnibus Objection (DE 17085) is directly related to the 340th Omnibus Objection (DE 17087) (which fails to identify the relationship and pretends to treat it (Claim No. 174301) as a wholly separate claim, which it is not)). Indeed, the 344th Omnibus Objection, completely mischaracterizes the relationship between the two claims by asserting that debtors are unable to determine whether claimant has a valid claim against the Puerto Rico Public Buildings Authority (344th Omnibus Objection, DE 17085, p. 11, no. 67). This allegation is absurd. Debtor is

well-aware that it did not pay Claimant the amounts due but, instead, misapplied the funds

appropriated and designated for Claimant's services by using the funds for some other

purpose. Thus, debtor cannot now be heard to complain (in the 344th Omnibus Objection,

DE 17085) that it is unable to determine the validity of Claim No. 174301 (\$650,000.00)

because all the facts and documents that establish the validity of the Claim are in the

possession, custody, and control of debtor. In short, debtor cannot go against its own

Acts.

5) Clearly, the sought disallowance is erroneous and contrary to the law and

facts. Claimant demands trial by jury on any action to disallow this claim.

WHEREFORE, the Claimant respectfully requests that this Honorable Court reject

any and all sought disallowance of Claim No. 174301 and/or provide Claimant trial by

Jury.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 27th day of July 2021.

I hereby CERTIFY that the instant Opposition was filed using the CM/ECF System

of this Honorable Court which shall notify all Attorneys of Record in this case.

s/David W. Román

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